

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF JOHN AND) APPEAL NO. 07-A-2367
LEILA OLSON from the decision of the Board of) FINAL DECISION
Equalization of Bonner County for tax year 2007.) AND ORDER

UNIMPROVED PROPERTY APPEAL

THIS MATTER came on for hearing October 15, 2007, in Sandpoint, Idaho before Board Member Linda S. Pike. Board Members Lyle R. Cobbs and David E. Kinghorn participated in this decision. Appellant Leila Olson appeared. Assessor Jerry Clemons and Appraiser Missie Salter, and Residential Supervisor Jeri Peterson appeared for Respondent Bonner County. This appeal is taken from a decision of the Bonner County Board of Equalization (BOE) modifying the protest of the valuation for taxing purposes of property described as Parcel No. RP005550050070A.

The issue on appeal is the market value of an unimproved parcel.

The decision of the Bonner County Board of Equalization is modified.

FINDINGS OF FACT

The assessed land value is \$297,333. Subject assessment was reduced by the BOE from \$340,094 to \$297,333. Appellants request the land value be further reduced to \$175,000.

The subject property is an unimproved lake front property consisting of 4.11 acres, located in Sourdough Point Subdivision in Sandpoint, Idaho.

Appellant described subject as a narrow, steep lot located on a dusty road. The Taxpayer stated major rock drilling or acquisition of an easement across neighboring property would be necessary to provide access to a buildable view site.

The Taxpayers presented an assessment notice for a contiguous 4.539 acre lot and claimed the BOE reduced the assessed value from \$221,866 to \$193,022.

Appellants submitted a plat map depicting the location of three unimproved sales

considered by the County as comparable to subject. All three sales took place in 2006 and were located in subject's subdivision.

Sale	Acres	Sale Price
Sale A	5.2 acres	\$225,000
Sale B	4.337 acres	\$382,000
Sale C	2.027 acres	\$285,000

The taxpayer argued Respondent's sales were superior to subject in that Sale A had a view, driveway access, building site, and was on a private road. Appellants declared subject was most comparable to Sale A. Sale A was located three parcels away from subject and had similar topography. Sale B had a view, driveway, unique boulder landscaping, and a building site. Sale C was located closer to the lake and contained a buildable site.

The County stated an authoritative report which demonstrated subject was currently unbuildable had not been presented. Respondent argued that comparing the assessment notice of a neighboring parcel to prove inequity was not a valid argument for reduction in subject assessment. The conditions regarding the reduction in value for the neighboring property were not provided at the hearing.

Sales A through C listed above were presented and detailed by the County. The County considered the sales comparable to subject. Because of the large dispersion between sale prices of these few sales, the County recommended subject reduced assessed value be upheld.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in

support of their respective positions, hereby enters the following.

For the purposes of taxation, Idaho requires property to be assessed at market value, as defined in Idaho Code § 63-201 (10):

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing sell, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Both parties relied upon the same sales information. Appellant maintained the sales were superior to subject. Respondent challenged the excessive dispersion between the sale prices.

In this instance the market reveals few recent, proximate sales of some what comparable property, albeit somewhat superior properties.

The Board finds the 5.2 acre lot which sold in 2006 for \$225,000 is the most comparable to subject, although superior in view, driveway and access. Subject property is 4.11 acres and does not have a driveway or access and should be considered in the assessed value. Therefore this Board finds that further value reduction is warranted and will reduce the subject assessed value to \$197,000.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Bonner County Board of Equalization concerning the subject parcel be, and the same hereby is modified to reflect a decrease to \$197,000.

IT IS FURTHER ORDERED that any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from

Appellant.

MAILED April 3, 2008